

Pro-face Northern Europe ApS

Ledreborg Alle 118, 4000 Roskilde

Company reg. no. 26 27 32 34

Annual report

1 January - 31 December 2015

The annual report has been submitted and approved by the general meeting on the 15 March 2016.



Klaus Boje
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Pro-face Northern Europe ApS for the financial year 1 January to 31 December 2015.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Roskilde, 19 February 2016

Managing Director



Klaus Boje

Board of directors



Mohamed Benabda
Chairman



Klaus Boje

The independent auditor's reports

To the shareholder of Pro-face Northern Europe ApS

Report on the annual accounts

We have audited the annual accounts of Pro-face Northern Europe ApS for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

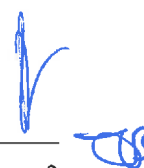
Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.



The independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Frederiksberg, 19 February 2016

One Revision

Statsautoriseret revisionspartnerselskab
CVR-nr. 37 31 56 64



Egon Ramskov Laursen
State Authorised Public Accountant

Company data

The company	Pro-face Northern Europe ApS Ledreborg Alle 118 4000 Roskilde
	Phone: +45 70220122 Fax: +45 70220133 Web site: www.pro-face.dk
	Company reg. no.: 26 27 32 34 Financial year: 1 January - 31 December 14th financial year
Board of directors	Mohamed Benabda, Chairman Klaus Boje
Managing Director	Klaus Boje
Auditors	One Revision, Statsautoriseret revisionspartnerselskab Roskildevej 37A, 3. sal 2000 Frederiksberg
Parent company	Pro-face Europe B.V., Holland
Subsidiary	Pro-face Sweden AB, Malmö

Management's review

The principal activities of the company

The Company's activity comprises sale and distribution of user-friendly human and machine interfaces.

Development in activities and financial matters

The gross profit for the year is DKK 4.397.549 against DKK 4.947.487 last year. The results from ordinary activities after tax are DKK 47.042 against DKK 426.985 last year. The management consider the results satisfactory.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Pro-face Northern Europe ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Pro-face Northern Europe ApS and its group enterprises are included in the consolidated annual accounts for Pro-face Europe B.V., Holland, Holland, reg. nr. NL804.550.268B01.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Accounting policies used

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Results from equity investment in group enterprise

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the group enterprise is recognised in the profit and loss account at a proportional share of the group enterprise's results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Intangible fixed assets

Acquired concessions, patents, licences, trademarks and similar rights

Acquired software licenses are measured at cost less amortization and impairment losses. Software licenses are amortized over a period of three years.

Goodwill

Purchased goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated financial life which is 5 years.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

Accounting policies used

The basis of depreciation is cost with deduction of expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Leasehold improvements	4-5 years
Technical plants and machinery	5 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Financial fixed assets

Equity investment in group enterprise

Equity investment in group enterprise is recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investment in group enterprise is transferred to the reserves under the equity for net revaluation as per the equity method. Dividend from group enterprise expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprise.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

Accounting policies used

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity - dividend

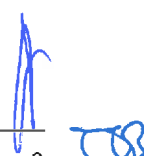
Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Pro-face Northern Europe ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.



Accounting policies used

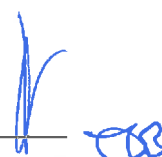
Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2013 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

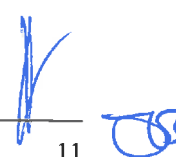
Received payments concerning income during the following years are recognised under accrued expenses and deferred income.



Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
Gross profit	4.397.549	4.947.487
1 Staff costs	-4.307.329	-4.341.078
2 Depreciation and writedown relating to tangible fixed assets	-61.453	-45.526
Operating profit	28.767	560.883
Income from equity investment in group enterprise	54.510	98.295
Other financial income	76.329	24.916
3 Other financial costs	-109.199	-137.218
Results before tax	50.407	546.876
4 Tax on ordinary results	-3.365	-119.891
Results for the year	47.042	426.985
Proposed distribution of the results:		
Reserves for net revaluation as per the equity method	67.041	80.997
Allocated to results brought forward	0	345.988
Allocated from results brought forward	-19.999	0
Distribution in total	47.042	426.985



Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
Assets		
Fixed assets		
5		
Acquired concessions, patents, licenses, trademarks and similar rights	0	0
6		
Goodwill	0	0
Intangible fixed assets in total	0	0
7		
Other plants, operating assets, and fixtures and furniture	79.687	141.139
8		
Leasehold improvements	0	0
Tangible fixed assets in total	79.687	141.139
9		
Equity investment in group enterprise	437.132	370.091
Financial fixed assets in total	437.132	370.091
Fixed assets in total	516.819	511.230
Current assets		
Manufactured goods and trade goods	518.752	629.481
Inventories in total	518.752	629.481
Trade debtors	2.497.612	2.284.797
Deferred tax assets	24.182	33.764
Receivable corporate tax	137.217	74.788
Other debtors	153.985	154.034
Debtors in total	2.812.996	2.547.383
Cash funds	1.920.327	1.831.441
Current assets in total	5.252.075	5.008.305
Assets in total	5.768.894	5.519.535

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2015</u>	<u>2014</u>
Equity			
10	Contributed capital	130.000	130.000
11	Reserves for net revaluation as per the equity method	355.333	288.292
12	Results brought forward	1.337.519	1.357.518
	Equity in total	<u>1.822.852</u>	<u>1.775.810</u>
Liabilities			
	Trade creditors	103.087	60.482
13	Debt to group enterprises	2.415.714	2.413.198
	Other debts	1.427.241	1.270.045
	Short-term liabilities in total	<u>3.946.042</u>	<u>3.743.725</u>
	Liabilities in total	<u>3.946.042</u>	<u>3.743.725</u>
	Equity and liabilities in total	<u>5.768.894</u>	<u>5.519.535</u>

14 Contingencies

Notes

All amounts in DKK.

	<u>2015</u>	<u>2014</u>
1. Staff costs		
Salaries and wages	3.758.421	3.794.012
Pension costs	295.977	308.493
Other costs for social security	32.720	35.729
Other staff costs	220.211	202.844
	<u>4.307.329</u>	<u>4.341.078</u>
Average number of employees	<u>5</u>	<u>5</u>
2. Depreciation and writedown relating to tangible fixed assets		
Amortisation of concessions, patents and licences	0	859
Depreciation on decoration of rented premises	0	3.850
Depreciation on plants, operating assets, fixtures and furniture	61.453	40.817
	<u>61.453</u>	<u>45.526</u>
3. Other financial costs		
Other financial costs	109.199	137.218
	<u>109.199</u>	<u>137.218</u>
4. Tax on ordinary results		
Tax of the results for the year, parent company	-6.217	103.986
Adjustment for the year of deferred tax	9.582	15.905
	<u>3.365</u>	<u>119.891</u>

Notes

All amounts in DKK.

	<u>31/12 2015</u>	<u>31/12 2014</u>
5. Acquired concessions, patents, licenses, trademarks and similar rights		
Cost 1 January	358.959	358.959
Cost 31 December	<u>358.959</u>	<u>358.959</u>
Amortisation and writedown 1 January	-358.959	-358.100
Amortisation for the year	0	-859
Amortisation and writedown 31 December	<u>-358.959</u>	<u>-358.959</u>
Book value 31 December	<u>0</u>	<u>0</u>
6. Goodwill		
Cost 1 January	533.960	533.960
Cost 31 December	<u>533.960</u>	<u>533.960</u>
Amortisation and writedown 1 January	-533.960	-533.960
Amortisation and writedown 31 December	<u>-533.960</u>	<u>-533.960</u>
Book value 31 December	<u>0</u>	<u>0</u>
7. Other plants, operating assets, and fixtures and furniture		
Cost 1 January	776.797	644.052
Additions during the year	0	132.745
Disposals during the year	-336.117	0
Cost 31 December	<u>440.680</u>	<u>776.797</u>
Amortisation and writedown 1 January	-697.110	-594.841
Depreciation for the year	0	-40.817
Reversal of depreciation, amortisation and writedown, assets disposed of	336.117	0
Amortisation and writedown 31 December	<u>-360.993</u>	<u>-635.658</u>
Book value 31 December	<u>79.687</u>	<u>141.139</u>

Notes

All amounts in DKK.

	<u>31/12 2015</u>	<u>31/12 2014</u>
8. Leasehold improvements		
Cost 1 January	557.141	557.141
Disposals during the year	<u>-15.530</u>	<u>0</u>
Cost 31 December	<u>541.611</u>	<u>557.141</u>
Depreciation and writedown 1 January	-557.141	-553.291
Depreciation for the year	0	-3.850
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>15.530</u>	<u>0</u>
Depreciation and writedown 31 December	<u>-541.611</u>	<u>-557.141</u>
Book value 31 December	<u>0</u>	<u>0</u>
9. Equity investment in group enterprise		
Acquisition sum, opening balance 1 January	<u>81.799</u>	<u>81.799</u>
Cost 31 December	<u>81.799</u>	<u>81.799</u>
Revaluations, opening balance 1 January	288.292	207.295
Results for the year before goodwill amortisation	64.381	85.997
Exchange adjustments	<u>2.660</u>	<u>-5.000</u>
Revaluation 31 December	<u>355.333</u>	<u>288.292</u>
Book value 31 December	<u>437.132</u>	<u>370.091</u>

The financial highlights for the enterprise according to the latest approved annual report

	Share of ownership	Equity	Results for the year	Book value at Pro-face Northern Europe ApS
Pro-face Sweden AB, Malmö	100 %	437.132	67.041	437.132
			<u>31/12 2015</u>	<u>31/12 2014</u>

10. Contributed capital

Contributed capital 1 January	<u>130.000</u>	<u>130.000</u>
	<u>130.000</u>	<u>130.000</u>

Notes

All amounts in DKK.

	<u>31/12 2015</u>	<u>31/12 2014</u>
11. Reserves for net revaluation as per the equity method		
Reserves for net revaluation 1 January	288.292	207.295
Share of results	<u>67.041</u>	<u>80.997</u>
	<u>355.333</u>	<u>288.292</u>
12. Results brought forward		
Results brought forward 1 January	1.357.518	1.011.530
Profit or loss for the year brought forward	<u>-19.999</u>	<u>345.988</u>
	<u>1.337.519</u>	<u>1.357.518</u>
13. Debt to group enterprises		
Payables Pro-face Sweden AB	360.397	11.610
Payables Pro-face Europe B.V.	<u>2.055.317</u>	<u>2.401.588</u>
	<u>2.415.714</u>	<u>2.413.198</u>

14. Contingencies

Contingent liabilities

The company has not assumed any sureties, guarantees or other obligations beyond what is usual for a company and also appears from accounts and notes.

Operational leasing

In addition to financial leasing contracts, the company has entered into operational leasing contracts with an average annual leasing payment of TDKK 493. The leasing contracts have 11 months left to run, and the total outstanding leasing payment is TDKK 292.

Joint taxation

Schneider Nordic Baltic A/S being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax. The total accrued income tax is shown in the annual report for Schneider Nordic Baltic A/S.

Notes

All amounts in DKK.

14. Contingencies (continued)

Joint taxation (continued)

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

